



Georgia Department of Revenue Motor Fuel Tax Bulletin **Suspension of Change of Prepaid State Tax Rates** **on Motor Fuel Sales** **Effective: January 1, 2015**

December 9, 2014

Because the transportation infrastructure of this State is integral to its growing economy and providing jobs for Georgians, and because providing for the maintenance and improvement of our transportation infrastructure is dependent upon the collection of taxes levied on the sale of motor fuel and aviation gasoline, and because the significant volatility in the cost of gasoline will result in an inconsistent level of funding available to ensure that the State's transportation network is adequately maintained and able to grow to meet increasing needs of Georgia's citizens and industry, Governor Nathan Deal issued an Executive Order on December 5, 2014, suspending any change in the "Prepaid State Tax" on sales of motor fuel for on-highway use and aviation gasoline by freezing the Prepaid State Tax rates at their July 1, 2014 levels.

As a result of Governor Deal's Executive Order, the *Prepaid State Tax* rates in effect for periods beginning on or after January 1, 2015 will remain the same as those previously set for July 1, 2014. The Executive Order did not eliminate the Prepaid State Tax; it suspended any change in the rates, and froze the rates at their July 1, 2014 levels. A copy of the Executive Order is available at: <http://gov.georgia.gov/executive-orders/2014>.

The Executive Order suspending any change in the Prepaid State Tax rates by freezing the current rates does **not** apply to "Prepaid Local Tax" (i.e., local sales and use tax). See the concurrently issued bulletin related to the Prepaid Local Tax for the average retail sales prices for each motor fuel type effective for the semiannual period beginning January 1, 2015, used to calculate Prepaid Local Tax (i.e., local sales and use tax).

The Executive Order issued on December 5, 2014, suspending any change in the Prepaid State Tax rates (freezing the current July 1, 2014 rates) does not change the responsibility of licensed motor fuel distributors (suppliers) in the State of Georgia to continue to collect Prepaid State Tax and Prepaid Local Tax on all motor fuel sold to any purchaser not licensed as a Georgia distributor (unless otherwise exempt). This is in addition to the State Excise Tax rate of 7 ½ cents per gallon, which must also be collected at the time of sale (except for aviation gasoline, which is generally subject to a 1 cent per gallon excise tax).

Effective January 1, 2015, the following Prepaid State Tax rates must continue to be collected by the licensed distributor on all sales of motor fuel sold to any purchaser not licensed as a Georgia distributor:

<u>Motor Fuel Type</u>	<u>3% Prepaid State Tax Rate (State, County & Municipalities Only)</u>	<u>4% Prepaid State Tax Rate (All Other Motor Fuel Sales)</u>
1. Gasoline	\$0.088 Per Gal.	\$0.118 Per Gal.
2. Diesel (Clear/Dyed)	\$0.104 Per Gal.	\$0.138 Per Gal.
3. Aviation Gasoline	\$0.162 Per Gal.	\$0.216 Per Gal.
4. L.P.G.	\$0.059 Per Gal.	\$0.078 Per Gal.
5. Special Fuel (includes CNG)	\$0.087 Per Gal.	\$0.116 Per Gal.

FOR MORE INFORMATION

The Prepaid State Tax Rates are published semi-annually, or more frequently, if a revision is required due to a 25% change in the average selling price of any motor fuel during the tax period. Should you have any questions regarding this bulletin, please contact the Taxpayer Services Division, Motor Fuel Tax Unit, at 1-877-423-6711 or visit the Department's Website at www.etax.dor.ga.gov.